

FISCAL NOTE
HB 1937 - SB 2041

April 3, 2007

SUMMARY OF BILL: Requires LEAs to give priority to non-school system Pre-K programs when expanding Pre-K; permits at-risk children under the age of four who are enrolled in non-school system Pre-K programs to remain in the programs; requires LEAs to use real dollars for the local matching fund requirement when collaborating with a for-profit partner.

ESTIMATED FISCAL IMPACT:

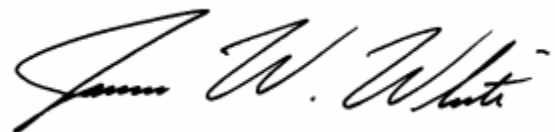
Increase State Expenditures – Not Significant
Increase Local Govt. Expenditures - \$2,675,000/Permissive

Assumptions:

- Pre-K program in current law is voluntary to LEAs. LEAs could choose to expand their Pre-K program at which time such programs would become mandatory.
- Currently, LEAs are permitted to contract with private Pre-K programs but do not give preference to them. Under this proposal LEAs would be required to give such programs priority and would also be required to come up with the BEP local match in real dollars for their Pre-K programs in private facilities.
- Estimated cost of a Pre-K classroom is \$107,000 for the FY07-08 school year.
- According to the Department of Education, LEAs would need an additional 200 Pre-K classrooms to serve all at-risk children in FY07-08.
- If all 200 classes are given to private providers, the estimated cost to LEAs is estimated to be \$5,350,000.
- If only one-half or 100 classrooms are placed with non-school providers, the estimated cost for the LEAs is \$2,675,000.
- The exact cost to the LEA is determined by their BEP classroom state share and required local match.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director